Rural Development Fund

†*389. SHRI KRISHAN LAL BALMIKI: Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether Government are going to create a Rural Development Fund; and

(b) if so, the details thereof and the manner in which Government would mobilize financial resources for this purpose?

THE MINISTER OF RURAL DEVELOPMENT (SHRI RAGHUVANSH PRASAD SINGH): (a) No, Sir.

(b) Does not arise.

Unfair treatment to Virginia Tobacco at WTO Negotiations

*390. SHRI V. HANUMANTHA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have noted that cash crops like Virginia tobacco are not receiving fair treatment during WTO negotiations;

(b) whether it is also a fact that Free Trade Agreements between India and neighbouring countries is harming Indian tobacco farmers' interest;

(c) in what way will Government bring about equity and fairness in interantional trade policies to help farmers of Andhra Pradesh and Karnataka; and

(d) the steps proposed to reduce such aspects of FTAs which harm Indian farmers?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) In the WTO negotiations, steps are being taken to address the structural distortions in agricultural trade caused due to subsidization and protection of agricultural products, including cash crops like Virginia tobacco.

(b) to (d) Under India's Regional Trade Arrangements (RTAs), tariff concessions on imports into India, with duty free access subject to fulfillment of value addition criteria, on tobacco have been offered only under the Indo-Sri Lanka Free Trade Agreement (FTA). Sri Lanka has retained tobacco in its negative list of imports. The Government has requested Sri Lanka to provide parity with India's tariff concessions on tobacco. Matters

† Original notice of the question was received in Hindi.

relating to exports to India by Sri Lanka of cigarettes manufactured with imported tobacco have also already been raised by the Government with Sri Lanka under the review of the Indo-Sri Lanka FTA.

The Government is fully committed to address the distortions in international trade in agricultural products through the negotiations under the Dhoa Round. The negotiations are aimed at eliminating export subsidies, substantially and effectively reducing trade distorting domestic support, and at securing substantial improvements in market access for agricultural products, including tobacco, through tariff reductions in India's export markets.

The Government will complement the rule-based multilateral trading system with RTAs which serve as building blocks and secure India's development imperatives, including protecting farmers from unfair trade practices on cash crops like Virginia tobacco. Any adverse effects that are witnessed are also taken up by the Government under the review of the concerned RTAs.

In order to promote the competitiveness of Indian tobacco in the world market, besides measures to enhance quality and productivity of tobacco through extension and developmental programmes such as model project areas and integrated pest management, concerted efforts are also being made to meet international standards for non-tobacco related matters, product integrity and traceability.

DNA finger printing certificate for basmati rice export

†*391. SHRIMATI PREMA CARIAPPA:
MS. SUSHILA TIRIYA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether European Commission has imposed a condition of DNA finger printing certification from 1st July, 2006 for exemption of 42.5 Euro per tonne in respect of custom duty on Basmati rice;

(b) whether the Indian exporters of Basmati rice will have to attach a DNA finger printing certificate with each consignment of rice;

(c) whether they would have to contact the Export Inspection Council and the Centre for DNA finger printing, Hyderabad to get that certificate; and

(d) if so, arrangement being made by Government for that so that small exporters do not face unnecessary hardships in getting the same?

† Original notice of the question was received in Hindi.